

This is a supplement to the 2013 TAEP Cost Share Application booklet.
It is intended to assist producers with completing Producer Diversification Application B and proposal.

1. APPLICANT INFORMATION

Social Security Number (SSN) or Federal Tax Identification Number (EIN)

Enter your preferred taxpayer identification number – please list only one.

- ✓ This number must match the tax number listed on your Substitute W-9 form.

Name

Enter your full legal name. If you are more commonly known by a nickname, please indicate it in parentheses (nickname) next to your legal name. Indicate your title and any suffix you may have.

- ✓ The name you list on Application B must match the name you list on your Substitute W-9 form.
Applicant name must match name on educational certifications, permits, premises registration, and property records, where required for eligibility.

Mailing Address

Enter the address where you receive your mail. TAEP documentation will be sent to this address. This address may be different than your home or farm address.

- ✓ This mailing address must match the address you list on your Substitute W-9 form.

Residential Address

Enter the address where you live. This address may be the same as your mailing or farm address.

Home Phone

Enter number, including area code.

Cell Phone

Enter number, including area code.

E-mail Address

Please print clearly.

Text Alerts

Indicate whether you would like to receive TAEP updates and information by text (using your cell phone number) by checking “yes” or “no”.

2. FARM/PREMISES INFORMATION

- ❖ Applicants with livestock must register their premises with the Tennessee Department of Agriculture (TDA).
- ❖ Applicant name must match contact name (primary or alternate) listed on premises account to be eligible.
- ❖ The premises account number is tied to the individual; the premises ID number is tied to the farm address.
- ❖ An individual can have multiple premises ID numbers if they have multiple farm locations.
- ❖ Premises registration forms and instructions are available from TDA by calling (615) 837-5120 or by visiting www.tn.gov/agriculture/regulatory/livestock.html.

- ❖ If applicant does not have livestock on their operation, list farm address and indicate property ownership only.

Farm Address

Enter the physical address of the farm where your project will be.

- ✓ The premises ID address must match the farm address listed on the application. If you are applying for more than one program and have multiple premises ID numbers/farm addresses, please indicate which ID/farm address will be used for each program.

Farm County

Indicate the county where your farm is located.

Premises Account Number

Enter your premises account number.

Premises ID Number

Enter your unique 7-character alphanumeric identification.

Property Ownership

Indicate whether you own (applicant/family) or lease your farm property.

- ✓ Applicant or member of the applicant's immediate family must own land where permanent structures will be built. Livestock Equipment projects can be located on leased land.
Immediate family members include: spouse; children; parents; siblings; grandparents; grandchildren; great grandparents; and spouse's children, parents, siblings, grandparents, grandchildren, great grandparents.

3. INDUSTRY SECTOR

Indicate primary sector that applies to your cost share request.

- ✓ Fruit & Vegetables sector now includes the once separate sector of Viticulture.

4. MASTER PRODUCER

Indicate if you meet or plan to meet requirements for 50% cost share. Check the appropriate box.

A full list of eligible events with locations is available in each sector criteria sheet at www.tn.gov/taep. Use the Producer Program button and follow the links to the Producer Diversification page and find your appropriate sector(s). These are updated as new events are scheduled.

- Applicants must attend certain events related to their operation or obtain required certification
- Applicants must have participated in events from 2011-2014
- All certifications must be completed by the applicant prior to the program reimbursement deadline

- **Agritourism** – applicant must have attended two events from the list below. One event must be the Tennessee Agritourism Conference or Direct Marketing Sense Course.
 - Tennessee Agritourism Conference
 - Direct Marketing Sense Course
 - Agritourism or Direct Marketing Workshop
- **Fruits and Vegetables** – Applicant has two options to qualify for 50% cost share.

Option 1 – Applicant must have attended two events from the list below. One event must be the Tennessee Horticultural Expo.

 - Tennessee Horticultural Expo
 - Direct Marketing Workshop
 - GAP Food Safety Workshop

Option 2 – Producers that are GAP certified through an up to date audit at the time of reimbursement can qualify for 50% with their certification.
- **Honey Bees** – applicant must complete the UT BeeMaster Course prior to reimbursement deadline.
- **Horticulture** – applicant must complete the UT Master Nursery Course prior to reimbursement deadline.
- **Organics** – applicant must be USDA certified or working towards certification to qualify. Applicant must be certified at time of reimbursement.
- **Value-Added Products** – applicant must complete the two events listed below.
 - Direct Marketing Sense Course
 - Direct Marketing Workshop

5. APPLICATION PROPOSAL

Proposals must be typed in requested format and no longer than five pages in length, excluding cost quotes.

1) Briefly describe your agricultural operation.

a. Industry sector(s)/type of business

List the industry sector(s) that you are primarily involved in. If you have a diversified farm, list all sectors that you are involved in (cattle, vegetables, field crops, agritourism, nursery, aquaculture, etc.)

b. Years in business – (1) production agriculture and (2) other agribusiness (e.g. agritourism, garden center, etc.)

You should list years that you have been involved in the food and fiber production agriculture business. Then, if you have an agritourism enterprise, list the years involved in that business separately. If you have not been involved in a sector for one year or more, list the amount of time involved in months.

c. Number of employees - full, part-time, seasonal

List the number of paid employees first. If this is a family business that many family members are involved but may not be paid employees, please list the number of those individuals separately.

d. Acreage in production

Acreage in production agriculture (crops or production livestock)

e. Sales income from on-farm production agriculture– based on sales for the last 3 years (2010, 2011, 2012)

List the income generated from production agriculture crops and/or livestock raised on your farm.

f. Sales income from other products/services – based on sales for the last 3 years (2010, 2011, 2012)

List income generated from other products that may be sourced off-farm for resale or services that may be provided on the farm (examples: Income from an on-farm store, Agritourism events)

g. Types of products produced – currently and previously

List any products that were part of your business in the past, and what you produce today.

h. Indicate any expansions or downsizing – past, present, future

If your business has changed over the years, list any large changes in how you make a living in agriculture.

2) If you have applied for TAEP cost share previously, list each cost share received in the format provided below.

Fiscal Year	Program	Project Description	\$ Allocated/\$ Paid
FY12-13	Producer Diversification	Greenhouse	\$ 5,600 / \$ 5,485

3) Describe your proposed cost share project(s).

a. List each proposed project (e.g., greenhouse, retail shelter, sprayer, website)

Include what the proposed project is and what products or services will be provided using that project.

b. List projected increase in annual income generated for the next three years as a result of your project(s)

The projected increase should be the amount that you expect income to increase as a result of that project specifically. Do not list the projected total income from your entire operation.

c. Explain how each project will improve or expand your operation

Explanation should provide plenty of detail of why this project will increase the ability of your operation to generate income. Include one to two full paragraphs.

- d. **Indicate whether you had help in planning this project from a county extension agent, industry expert, specialized group or association. List key individuals and their titles.**

Self Explanatory

4) Outline the steps and timeline for completing your project(s) by program deadline of 05/01/14.

The timeline should be completed in a month by month format and list specific parts of the project or duties involved with the project that will be completed in each month leading up to the 05/01/14 program deadline.

5) Summarize your marketing plan for your diversified agricultural products.

- a. **List how and where your products are or will be sold**

List different outlets where your products are sold (wholesale, retail farm stand, farmers markets, etc.)

- b. **Specify marketing activities that are currently utilized in your operation (e.g., auctions/organized sales, brochures, e-commerce, print media, radio, signs, television, website, etc.)**

Indicate how your business is promoted to the public. Elaborate on specific activities that you utilize in your promotions.

- c. **Competitive advantage – What sets your product apart from your competitors?**

This is an important business concept. Explain why customers buy your product. Is it because of your service, convenience, price, product differentiation, or others? Be wary of listing “quality” here. Most customers expect quality.

6) Provide a detailed, line-item budget for each proposed project using the format presented below.

- a. **Research all costs associated with project(s). List each item and its cost on a separate line. Provide either the source of the cost quote with a phone number or attach a written cost estimate from the vendor, with complete contact information for the vendor.**

All costs associated with the project should be properly researched and documented.

- b. **Written cost estimates are required if projects are: large scale (e.g., greenhouse, retail shelter, restrooms), include many components (e.g., irrigation system), or involve contracted labor to construct.**

If you are in doubt on whether a written quote is required, it is recommended to include written quotes from all vendors for projects. In general, if the project is in the categories of specialty equipment or marketing, a written quote is not required. However, if a project has several components like an irrigation system, a written quote is required.

- c. **LABOR:** Labor is an eligible cost for infrastructure projects. In order to be eligible for cost share reimbursement, labor must be quoted and performed by a contractor. Labor is NOT eligible for reimbursement if performed by the applicant or their employees.

Labor is eligible for construction of projects, such as retail shelters, greenhouses, educational pavilions, restrooms, and other similar infrastructure projects. For labor to be eligible, you must hire a contractor to perform the work. You can use current employees or hire new employees to complete the project; however, labor would not be reimbursable.

- d. The total amount of cost share requested cannot exceed the maximum of \$10,000 (35%) or \$15,000 (50%).

SAMPLE BUDGET FORMAT				
Item Description	Source of Cost Quote	Cost	Cost Share %	Cost Share Request
Greenhouse 16 x 95	<i>See attached written cost estimate - JR Construction</i>	\$7,800.00	35%	\$2,730.00
Sign – vinyl banner	FedEx Kinko's 615-771-7999	\$225.00	50%	\$112.50
Total Amount of Cost Share Requested:				\$2,842.50

6. APPLICANT AGREEMENT

This section features several important bullet points regarding program participation. Read each line of text. Print your name and date. Sign your name.

7. HOW TO SUBMIT “APPLICATION B”

- Fill in all blanks and check appropriate boxes where requested.
- **Attach application proposal and cost quotes.**
- **Attach Substitute W-9 form (page 20).**
- NO FAXES OR EMAILS ACCEPTED - Applications are only accepted by mail or hand delivery.
- Applications must be postmarked June 1-7, 2013 or hand delivered during the same period.
- Applications received before or after the application period are ineligible.
- Applicants may only submit one Application B per premises or property, per household, per business, per application period.
- Application B (Producer Diversification) cost share requests are evaluated on a competitive basis by industry sector.
- Only applications that are complete and include sufficient information will be considered for evaluation.

Hand Delivery

Applications may be hand delivered to the TAEP office, which is located in the Holeman Building at the Ellington Agricultural Center. Include application form, proposal, cost quotes, and Substitute W-9 Form (pg. 20). The physical address is: 440 Hogan Rd., Nashville, TN 37220

Mail

Send Application B, along with application proposal, cost quotes, and Substitute W-9 Form (pg. 20) to:

TN Dept of Agriculture,
Attn: TAEP 2013-B
P.O. Box 40627
Nashville, TN 37204

Approval Notifications

Applicants will be notified in writing of approval or denial. Allow ten weeks for application processing.

SUBSTITUTE W-9 FORM (Page 20)

This form is used to obtain the applicant's taxpayer identification number and certification. Submit this form along with Application B.

- ✓ **Funds received as a result of TAEP reimbursement are taxable. Participants will receive Form 1099-G for payments over \$600.00.**

1. General Information: Enter your legal name. Enter your mailing address. Reimbursement checks will be mailed to this address. *Mailing address should match mailing address provided on Application B.*

2. Circle the most appropriate category below: Complete only one.

3. Fill in your taxpayer identification number below: Complete only one. *Taxpayer identification number should match number provided on Application B.*

4. Sign and date the form: Signature must match taxpayer name listed above.

New in 2013! TAEP ONLINE

TAEP Online is an account management system that allows producers participating in TAEP to view information about their account. Participants can view their history, make contact updates, and see current status of application and reimbursements. If you have not participated in TAEP previously, you will not have an online account but you will be able to apply online during the application period. ***Participation in TAEP Online is not mandatory.***

Accessing your TAEP Online Account

In order to access your TAEP Online account, you will need a current email address, your TAEP ID number, and your premises account number.

If you have not received your TAEP ID number, email taep.online@tn.gov to request a number. Include your name, address and premises account number in the email. The last date to request a TAEP ID number for the 2013 application period is May 30, 2013.

Applying Online – *only available for Application A in 2013*

- Visit www.tn.gov/taep during the application period
- Click on the TAEP Online link
- Click on the 2013 TAEP Application A link
 - **If you have a TAEP Online account**
 - Click “yes” and enter your premise account number and password
 - Review your information and make updates if needed
 - Select cost share programs and indicate priority level (1-3)
 - Follow submission instructions and print a copy of your application
 - **If you do not have a TAEP Online account**
 - Click “no” and complete all sections of the application
 - Follow submission instructions and print a copy of your application
 - Please note that a current email address is required
- *Electronic applications are not mandatory*
- **Application B (Producer Diversification) cannot be submitted online**